

1 4. On or about December 29, 1993, Mr. Burgason accepted
2 from Mr. Hoover check number 3013, in the amount of \$18,852.16
3 made payable to "Polaris" to purchase a variable annuity from
4 Anchor National. Anchor National sells an annuity product
5 referred to as Polaris.

6 5. Mr. Burgason subsequently deposited Mr. Hoover's check
7 into account #09580494 with Bank One. Mr. Burgason had previously
8 opened that account in the name "Polaris". Mr. Burgason is the
9 only authorized signer on that account.

10 6. Mr. Burgason failed to forward any application or
11 premium to Anchor National on behalf of Mr. Hoover and instead
12 misappropriated the premium and/or converted it to his own use.

13 7. On or about January 3, 1994 and April 1, 1994, Mr.
14 Burgason fabricated and forwarded quarterly reports to Mr. Hoover
15 that purported to show the status of Mr. Hoover's Polaris account.

16 8. In or around December, 1996, a Polaris variable annuity
17 contract was purchased by SunAmerica Securities, in the name of
18 Lou P. Hoover, with a value of \$26,731.31, through Anchor
19 National. SunAmerica Securities has not been reimbursed by Mr.
20 Burgason for the Polaris variable annuity contract they purchased
21 on behalf of Mr. Hoover.

22 CONCLUSIONS OF LAW

23 1. The Department has jurisdiction in this matter.

24 2. Burgason's conduct alleged above constitutes a record
25 of dishonesty in business or financial matters in violation of
26 A.R.S. § 20-316(A)(1) together with A.R.S. § 20-290(B)(2).

1 3. Burgason's conduct alleged above constitutes the
2 misappropriation or conversion to his own use or illegal
3 withholding of monies belonging to policyholders, insurers,
4 beneficiaries or other and received in or during the conduct of
5 business under the license or through its use in violation of
6 A.R.S. § 20-316(A) (4).

7 4. Burgason's conduct alleged above constitutes a conduct
8 of affairs under the license showing the licensee to be
9 incompetent or a source of injury and loss to, or repeated
10 complaint by, the public or any insurer within the meaning of
11 A.R.S. § 20-316(A) (7).

12 5. Burgason's conduct alleged above constitutes an act of
13 fraud in that Mr. Burgason knowingly and with intent to defraud
14 diverted or attempted or conspired to divert the monies of an
15 insurer in connection with the transaction of insurance within the
16 meaning of A.R.S. § 20-463(A) (4) (a).

17 6. Grounds exist for the Director to suspend, revoke or
18 refuse to renew Burgason's insurance licenses, impose a civil
19 penalty upon Burgason, and/or order restitution, pursuant to
20 A.R.S. § 20-316(A) and §20-316(C).


21
22 ORDER
23

24 NOW, THEREFORE, IT IS ORDERED:

25 1. Burgason's insurance license is immediately revoked.

26 ...

DATED this 3 day of April, 1997.


JOHN A. GREENE, Director
Arizona Department of Insurance

1. Burgason has reviewed the attached Order.

3. Burgason admits the jurisdiction of the Director of Insurance, State of Arizona, admits the forgoing Findings of Fact, consent to the entry of the foregoing Conclusions of Law and consents to the entry of this Order.

5. Burgason acknowledges that the acceptance of this Order by the Director of Insurance, State of Arizona, is solely to settle this matter against him and does not preclude any other

1 agency or officer of this state or subdivision from instituting
2 other civil or criminal proceedings as may be appropriate now or
3 in the future.

4
5 Date 3/20/97
6


MATTHEW THOMAS BURGASON

7
8 COPY of the foregoing mailed
9 this 3rd day of April,
10 1997, to:

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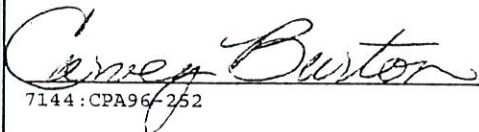
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